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### CENTRAL INTELLIGENCE AGENCY

1 November 1954

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: Post-Mortem of NIE Production for First Six Months of 1954

- 1. Attached are the consolidated findings on intelligence deficiencies noted in NIE production for the period 1 January 30 June 1954. Tab A lists the estimates produced in the sixmonth period on which the findings are based.
- 2. This review of intelligence deficiencies has been prepared in compliance with the IAC action of 11 May 1954 (IAC-M-151) directing that such a paper be produced semi-annually for IAC noting and circulation by the DCI.

3. This will be placed scheduled for 9 November.	on the agenda of the IAC meeting	
	Deputy Assistant Director National Estimates	25X1

Distribution "A"

The classification of TAB A is SECRET

MORI/CDF)

25X1

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#### CENTRAL INTELLIGENCE AGENCY

1 November 1954

SUBJECT: POST-MORTEM OF NIE PRODUCTION FOR THE PERIOD 1 JANUARY
TO 30 JUNE 1954

The following is a review of intelligence deficiencies revealed in the preparation of National Intelligence Estimates during the first six months of 1954. These deficiencies identify areas in which intelligence information is inadequate due either to gaps in collection or in research and analysis. No attempt is made to deal with the validity of substantive judgments made in the estimates. No order of priority is implied in the listing of gaps within sections. The estimates upon which these consolidated findings are based are listed in Tab A.

## 1. General

Since the intelligence deficiencies noted in this report reflect only the estimates undertaken during the six month period being reviewed, the list is by no means complete. In spite of the

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substantial intelligence information available, there continue to be numerous areas in which significant data are lacking. In general, it will be noted that the most important intelligence deficiency in the Soviet Bloc is one of collection, a fact which emphasizes the necessity for greater collection efforts in this area. Meanwhile, there is a need for full exploitation of available information. In most other areas, notably in Western Europe, the over-all coverage is good and vast quantities of data are available. The problem here is largely one of research and analysis rather than collection.

## 2. Soviet Bloc (excluding Communist China)

Gaps in intelligence on the Soviet Bloc continue to be those inherent in the restrictive security policies of the Communist states. However, the methods upen to US intelligence for exploiting the limited range of data available are capable of further development and improvement. In general, the most significant gaps continue to be those relative to economic trends and scientific and technological developments. There also are gaps in many aspects of Soviet military capabilities. Estimative work in the period under review indicated a need for greater collection

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efforts or more effective and more generally acceptable analytical methods in the following fields:

a.

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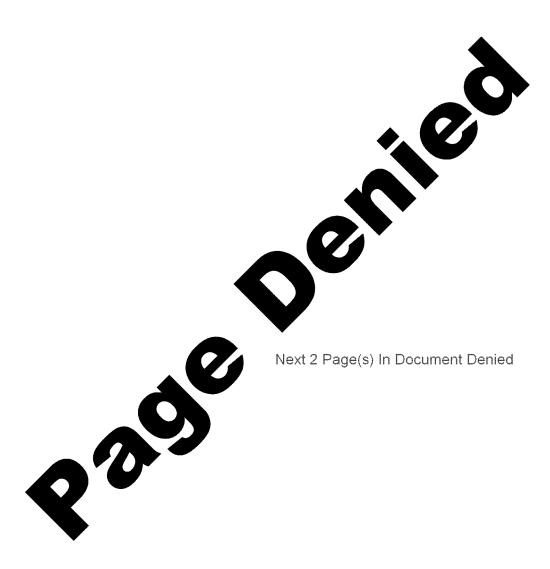
### 3. Far East

The most critical uncertainties in this area recurred in one form or another in the preparation of many of the estimates produced during this period. Certain of the gaps listed probably can never be closed, others could be closed by greater collection efforts, while the remainder could be narrowed by improved analysis of available data.



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# 4. Western Europe

The major intelligence problems with regard to Western Europe primarily involve the evaluation, analysis, and synthesis of vast quantities of data, rather than collection deficiencies. However, production of NIE 100-54, "Probable Effects of Increasing Nuclear Capabilities Upon the Policies of US Allies," revealed the importance of systematic collection of all possible evidence on the attitude and fears of foreign peoples and governments with respect to the threat of nuclear warfare in an age of "nuclear policy."

# 5. Middle East-South Asia

The two national intelligence estimates in this area completed during the first half of 1954 confirmed the continued existence of intelligence gaps noted previously. (See O/NE Memorandum to the IAC, "Post-Mortem of NIE Production for 1953," dated 13 May 1954, pages 8 and 9.)

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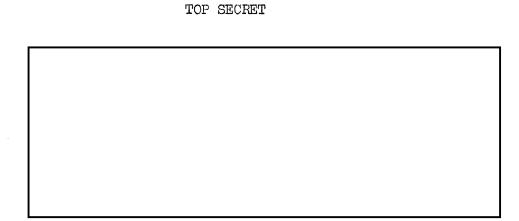
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6. Latin America		
Over-all intelligence coverage of the Latin American area		
is good, although deficiencies still exist in the following forces:		

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# 7. <u>Miscellaneous Estimates</u>

The NTE's produced during the period in the 100 (Miscellaneous) series were rather specialized estimates dealing primarily with questions involving speculation and judgment on which little "evidence" was available. However, NTE 100-3-54 "Consequences of a Relaxation of non-Communist Controls on Trade with the Soviet Bloc" indicated, as have other East-West trade estimates, the need for better evidence with respect to Soviet scientific and technological developments in order to more adequately determine the "qualitative" (as opposed to the quantitative) importance of imports from the West to Soviet military strength.

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